Jed W. Manwaring EVANS, KEANE LLP 1101 W. River Street, Suite 200 P. O. Box 959 Boise, Idaho 83701-0959 Telephone: (208) 384-1800 Facsimile: (208) 345-3514 WIN TO THE STATE OF THE STATE O

Attorneys for Trustee, John H. Krommenhoek

UNITED STATES BANKRUPTCY COURT DISTRICT OF IDAHO

In Re:

Paul Rees Harward and Janet Louise Harward,

Debtors.

Case No. 97-02754

NOTICE OF HEARING AND OBJECTIONS TO CLAIMS OF LIEN

NOTICE OF HEARING

PLEASE TAKE NOTICE That the undersigned will bring the above Objections to Claims of Lien on for hearing before this Court at 550 W. Fort Street, 5th Floor, Boise, Idaho, on the 13th day of July, 1998, at the hour of 1:30 o'clock p.m., or as soon thereafter as counsel can be heard.

OBJECTIONS

Trustee objects to the claims of lien of Intermountain West Insulation and John Ward on the proceeds from the sale of the home located at 515 Sierra View, Eagle, Idaho which was sold by the trustee pursuant to this court's Amended Order Approving Sale of Property Re: 515 Sierra

View ("Sale Order") filed December 17, 1997. Said claims of lien are invalid for failure to comply with the 24 hour certified mailing or delivery required by Idaho Code Section 45-507. Trustee further requests that the order direct the closing agent, Pioneer Title Company of Ada County ("Closing Agent"), to cancel its checks #1232000 in the amount of \$2,931 to Intermountain West Insulation and #0132003 to John Ward in the amount of \$6,861.38 and reissue those checks to the Trustee on behalf of the estate. In support of this motion the Trustee alleges

- 1. Pursuant to the Sale Order (copy attached as Exhibit A), the Trustee sold a partially completed single family home, which sale closed on December 24, 1997.
- 2. The Sale Order provided that nine lien claimants be paid from the closing the amounts specified, including the above two payments (Copy of checks attached as Exhibit B & C), subject to the Trustee's right to verify the validity of the liens. The Closing Agent distributed the checks to counsel for Trustee who has determined that the liens are invalid for failure to comply with Idaho Code Section 45-507 because the liens were not mailed by certified mail or delivered to the owner within 24 hours of recording the liens. *Ashley Glass Co., Inc. v. Hoff,* 123 Idaho 544, 850 p.2d 193 (1993).
- 3. The Trustee believes the proper procedure is to obtain an order sustaining the objection and have the Closing Agent cancel the checks and reissue the checks to the Trustee pursuant to the proposed order attached as Exhibit D. The proceeds then in the possession of the estate will be administered to the benefit of unsecured creditors.

DATED this 28 day of May, 1998.

as follows:

EVANS, KEANE LLP

Jed W. Manwaring, Of the Firm

Attorneys for Trustee

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 28 day of May, 1998, a true and correct copy of the foregoing document was served by first-class mail, postage prepaid, and addressed to; by fax transmission to; by overnight delivery to; or by personally delivering to or leaving with a person in charge of the office as indicated below:

Paul Rees Harward 1818 E. Glenloch Meridian, ID 83642	[] U.S. Mail [] FAX [] Overnight Delivery [] Hand Delivery
D. Blair Clark 455 South Third P. O. Box 2773 Boise, Idaho 83701	[] U.S. Mail [] FAX [] Overnight Delivery [] Hand Delivery
John H. Krommenhoek, Trustee P. O. Box 8358 Boise, ID 83706	[] U.S. Mail [] FAX [] Overnight Delivery [] Hand Delivery
U.S. Trustee P. O. Box 110 Boise, ID 83701	[Y U.S. Mail [] FAX [] Overnight Delivery [] Hand Delivery
Ken Ferguson Intermountain West Insulation, Inc. P. O. Box 4063 Boise, ID 83711	[] U.S. Mail [] FAX [] Overnight Delivery [] Hand Delivery
John Ward P. O. Box 492 Nampa, ID 83653	[] U.S. Mail [] FAX [] Overnight Delivery [] Hand Delivery
Kathy Coontz Pioneer Title Company 821 West State St. Boise, ID 83702-5836	[] U.S. Mail [] FAX [] Overnight Delivery [] Hand Delivery

Jed W/Manwaring

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Facsimile: (208) 345-3514

Attorneys for Trustee, John H. Krommenhoek

UNITED STATES BANKRUPTCY COURT DISTRICT OF IDAHO

In Re:

Paul Rees Harward and Janet Louise Harward,

Debtors.

Case No. 97-02754

AMENDED ORDER APPROVING SALE OF PROPERTY RE: 515 SIERRA VIEW

The Trustee's Motion for Approval of Sale of Real Property Re: 515 Sierra View, filed November 4, 1997 was heard on December 1, 1997, and the Motion for Amended Order Approving Sale of Property re: 515 Sierra View was heard upon a shortened notice period on December 17, 1997. Pursuant to 11 U.S.C § 363(f), and for good cause appearing the Trustee's amended motion is hereby granted. It now appears in the record that all parties claiming an interest in the property have been properly notified pursuant to Bankruptcy Rule 2002 and Local Rule 2002.1 as modified by this court's Order Shortening Time. All interested parties consented to the proposed sale, or failed to appear and/or file an objection to the proposed sale.

For good cause appearing, the Trustee shall sell to Jeffrey J. Reed and Margaret H. Reed, or their assigns, for \$150,500, the property commonly known as 515 Sierra View, Eagle, Idaho, also known as Lot 11, Block 2, Redwood Subdivision, Ada County, Idaho. Pursuant to this

EXHIBIT

order, the transfer is and shall be free and clear of all liens including but not limited to, deeds of trusts, mechanics liens, materialman liens, claims of lien, tax liens, and property tax liens. Subsequent to the proposed sale, all such liens claimed against said property shall no longer attach to the property. The property shall remain subject to recorded easements, restrictions, covenants, licenses, and non-development agreements of record to date.

From the sale proceeds the closing agent shall distribute the following payments:

Washington Mutual Bank, principal, interest, and costs on its Deed of Trust;

Property taxes and homeowner's association dues owing, if any;

6% commission to Metropolitan Real Estate in the amount of \$9,030.00;

Closing costs of Standard Title Ins. Policy for Buyers and 1/2 of closing escrow fee;

Franklin Building Supply, lien principal plus interest;

Goldsmith Charter, lien principal plus interest;

Gem State Truss Co., lien principal plus interest;

Low's Ready Mix, lien principal plus interest;

Kevin Luekenga, lien principal plus interest;

Intermountain West Insulation, Inc., lien principal plus interest;

David K. Ingraham, lien principal plus interest;

Ashley Glass Company, Inc., lien principal plus interest; and

John W. Ward, lien principal plus interest.

Dated this 17th day of December, 1997.

All the above lien claimants shall submit documentation to the Trustee verifying the validity of their liens. If the Trustee believes any of the liens to be invalid, he shall file an objection with this court and the distribution check shall be withheld from delivery to the lien claimant pending resolution of the objection. The net proceeds available after payment of the above amounts shall be disbursed to the Trustee, John H. Krommenhoek, with all remaining valid liens, if any, to attach to the net proceeds. Property taxes not yet due shall be prorated between the Buyers and

Seller as of the date of closing.

Certified to be a true and correct copy of original filed in my office.

Dated _____/_2-/7-4

Clark, U.S. Eankruptcy Court

/5/ ALFRED C. HAGAN

UNITED STATES BANKRUPTCY JUDGE

SEAL SEED

ED ORDER APPROVING SALE OF PROPERTY RE: 515 SIERRA VIEW - 2

PIONEER TITLE COMPANY
OF ADA COUNTY

Escrow Trust Account

U.S. BANK 1000 Broadway Ave. Boise, Idaho 83706

821 W. STATE STREET BOISE, IDAHO 83702 (208) 336-6700

ESCROW NO: 162909

92-372/1231

CHECK NO.

0132003

132003

PAY

SIX THOUSAND EIGHT HUNDRED SIXTY-ONE AND 38/100

DATE

AMOUNT

12/24/97

6,861.38

TO THE JOHN WARD ORDER OF

PIQNEER TITLE COMPANY OF ADA COUNTY

AUTHORIZED SIGNATURE

#132003# #123103729# 367 7809 182#

CHECK NO.

0132003

12/24/97

BUYERS NAME: JEFFREY J. REED

SELLERS NAME: JOHN H. KROMMENHOEK, TRUSTEE

PROPERTY ADDRESS: 515 SIERRA VIEW

BOISE

ID

6,861.38

B

PAYOFF

ESCROW NO: 162909

ΚŒ

EXHIBIT

B

PIONEER TITLE COMPANY
OF ADA COUNTY
821 W. STATE STREET

BOISE, IDAHO 83702

(208) 336-6700

Escrow Trust Account

U.S. BANK 1000 Broadway Ave. Boise, Idaho 83706

ESCROW NO: 162909

92-372/1231

CHECK NO.

0132000

132000

PAY

TWO THOUSAND NINE HUNDRED THIRTY-DINE AND NO/100

DATE 12/24/97

AMOUNT

2,931.00

TO THE INTERMOUNTAIN WEST INSULATION ORDER OF

PIONEER TITLE COMPANY OF ADA COUNTY

AUTHORIZED SIGNATURE

#132000# (123103729C 367 7809 182#

CHECK NO.

0132000

12/24/97

BUYERS NAME: JEFFREY J. REED

SELLERS NAME: JOHN H. KROMMENHOEK, TRUSTEE

FROFERTY ADDRESS: 515 SIERRA VIEW

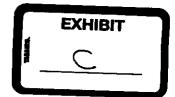
BOISE

ID

2,931.00

PAYOFF

ESCHOW NO: 162909 KC



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Facsimile: (208) 345-3514

Attorneys for Trustee, John H. Krommenhoek

UNITED STATES BANKRUPTCY COURT DISTRICT OF IDAHO

In Re:	
Paul Rees Harward and Janet Louise Harward,	Case No. 97-02754
Debtor.	ORDER SUSTAINING OBJECTIONS TO CLAIMS OF LIEN

Pusuant to 11 USC § 502 and Bankruptcy Rule 3007, the Trustee's Objections to Claims of Lien of Intermountain West Insulation and John Ward are sustained. This Court's Amended Order Approving Sale of Property re:515 Sierra View filed December 17, 1997 is hereby supplemented that the closing agent, Pioneer Title Company of Ada County shall cancel its checks #1232000 in the amount of \$2,931 to Intermountain West Insulation and #0132003 to John Ward in the amount of \$6,861.38 and reissue those checks to the Trustee on behalf of the estate.

DATED this	day of May,	1998
DATED HIIS	uay or iviay,	1))

UNITED STATES BANKRUPTCY JUDGE

